



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** OCTOBER 22, 2024

**DEPARTMENT:** PUBLIC WORKS DEPARTMENT

**FROM:** DAVID JACOBS, P.E., L.S., PUBLIC WORKS DIRECTOR

**THRU:** ADRIANA ROBLES, P.E., C.F.M., CITY ENGINEER

**BY:** VICTOR SANCHEZ, ASSISTANT ENGINEER

**TITLE:** REJECTION OF BIDS FOR THE SALINAS MUNICIPAL  
AIRPORT TAXILANE REHABILITATION PROJECT – PHASE 1,  
CIP 9354

RECOMMENDED MOTION:

It is recommended that City Council approve a resolution rejecting all bids for the Salinas Municipal Airport Taxilane Rehabilitation Project – Phase 1, CIP 9354.

EXECUTIVE SUMMARY:

On March 15, 2024, the City received three bids for the Salinas Municipal Airport Taxilane Rehabilitation Project – Phase 1, CIP 9354. The Federal Aviation Administration (FAA) announced that the Salinas Municipal Airport would receive \$880,610 as part of the 2024 Bipartisan Infrastructure Law (BIL) Airport Infrastructure Grants (AIG) round nine announcements. Funding for the project was to be entirely funded by the FAA as there are currently insufficient funds available in CIP 9354 to award the Taxilane Rehabilitation Project. Staff recommends rejecting all bids for the Salinas Municipal Airport Taxilane Rehabilitation Project – Phase 1, CIP 9354 due to insufficient funding and for exceeding the validity period of the bid proposals.

BACKGROUND:

The Taxilane Rehabilitation Project, Phase 1, CIP 9354 is an Airport Improvement Project (AIP) and a Bipartisan Infrastructure Law (BIL) Airport Infrastructure Grant (AIG) funded taxilane rehabilitation project. The project scope of work includes but is not limited to full depth pavement reconstruction, 3-inch pavement asphalt inlay, installation of valley gutters, and installation of pavement markings for the taxilanes associated with hangars R, K, L, and O.

On December 13, 2022, City Council approved Resolution No. 22549, accepting grant funding from the Federal Aviation Administration (FAA) and Caltrans Division of Aeronautics for the design of the Salinas Municipal Airport Taxiway Bravo and Taxilane Rehabilitation when awarded and authorizing the City Manager to execute all required documentation upon prior approval as to form by the City Attorney for the grant offer.

The City contracted Kimley Horn from the City’s to develop the plans, specifications, and an engineer’s estimate for the Taxilane Rehabilitation Project and complete an application package to apply for the BIL AIG. The contract with Kimley Horn and the grant application was managed by the Airport Division while the Engineering Department reviewed and advertised the plans, specifications, and engineer’s estimate for the Taxilane Rehabilitation project. The Salinas Municipal Airport Taxilane Rehabilitation Project – Phase 1 bid package was approved by the City Engineer on February 23, 2024. The project was advertised for bidding on the same date with a bid opening date of March 15, 2024. The City received 3 bids for the Salinas Municipal Airport Taxilane Rehabilitation Project – Phase 1, CIP 9354. Bids were publicly opened via Zoom, with the following results (see attached Bid Tabulation Sheet for details):

**Table 1: BID RESULTS**

<b>Contractor</b>	<b>Total Base Bid 1 – Base Bid 2</b>
Coastal Paving & Excavating Inc	\$1,650,650.00
Radius Earthwork Inc	\$1,935,342.75
Granite Rock Company	\$1,970,248.50
<b>Engineer’s Estimate</b>	<b>\$1,790,000.00</b>

The engineer’s estimate for the project was \$1,790,000 and was prepared by Kimley Horn. Coastal Paving & Excavating, Inc., submitted a bid of \$1,650,650, which is \$139,350 lower, or 92% of, the engineer’s estimate.

On August 13, 2024 the FAA announced that the Salinas Municipal Airport would receive \$880,610 as part of the 2024 Bipartisan Infrastructure Law (BIL) Airport Infrastructure Grants (AIG) round nine announcements. Funding for the project was to be entirely funded by the FAA as there are currently insufficient funds available in CIP 9354 to award the Taxilane Rehabilitation Project.

The bid proposals for the Salinas Municipal Airport Taxilane Rehabilitation Project – Phase 1 are valid 180 calendar days after bid opening. Bid opening for the project was on March 15, 2024 making September 11, 2024 the last day bids for the project were valid. As of October 22, 2024, award of the project has exceeded the period where bid proposals are valid.

Based on provisions of the Project Specifications, “The basis of award shall be the lowest total bid, as noted in the Proposal. The City further reserves the right to award or reject the Base Bid or any item(s) within, depending on available funding.” The lowest bidder is Coastal Paving & Excavating Inc. with a total Base Bid of \$1,650,650 The engineer’s estimate is \$1,790,000 putting the proposal received at 92% of the engineers estimate.

The “Notice to Bidders” informed the bidders that the City reserves the right to reject any and all Proposals and waive any irregularities to any Proposals received.

Staff recommends rejecting all bids for the Salinas Municipal Airport Taxi Lane Rehabilitation Project – Phase 1 due to insufficient funding and exceeding the validity period of the bid proposals. Staff will rebid the project when sufficient funds are available in CIP 9354.

It is staff’s plan to rescope and rebid the project to attempt to fit it in within the available funding received from the FAA.

CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Section 15300.2 as all exceptions do not relate to the project scope of work for this project.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes. California Government Code §84308 applies to this item.

STRATEGIC PLAN INITIATIVE:

This project, when awarded, will address the current City Council’s Goals of “Infrastructure and Environmental Sustainability” by improving city facilities.

DEPARTMENTAL COORDINATION:

Coordination between Public Works and Airport Department for identification of scope of work and grant coordination.

FISCAL AND SUSTAINABILITY IMPACT:

This action does not have a direct fiscal impact.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)
5800	50.9354-66.4000	Capital Outlays	\$0.00	N/A	374	N/A

ATTACHMENTS:

Resolution  
Bid Tabulation